

California Polytechnic State University

Nov. 5, 2004

photo collage of event speakers

Forecast seminar speakers included (left to right) Cal Poly Interim Provost Robert Detweiler, syndicated columnist Dan Walters, Economist Julianne Malveaux, Economist Stephen Happel, and UCSB Economic Forecast Project Director and economist Bill Watkins.

Cal Poly Hosts 2004 UCSB Economic Forecast Outlook Seminar for San Luis Obispo County

photo of seminar crowdSAN LUIS OBISPO -- The county is paying a price for its heavy economic dependence on the government sector, attendees learned recently at the 2005 Economic Outlook seminar for San Luis Obispo County.

On November 5, participants heard viewpoints from a number of economists who spoke at the Christopher Cohen Center on campus, including Bill Watkins, Ph.D., director of the UCSB Economic Forecast Project, who discussed housing and jobs.

The County needs to diversity its economic base, Watkins said, explaining that while the state's economy is rebounding, the areas fueled by state revenues are lagging behind in job growth.

Watkins also told the group that a no-growth policy towards housing "doesn't solve your traffic problems and can make them worse."

He also offered some good news. The median family income for the county is catching up with the state average.

Does he ever see the cost of housing decreasing? "Maybe in 20 to 30 years, when the Baby Boomers are no longer vigorous and our children put us in those little houses," he predicted.

Sacramento Bee syndicated columnist Dan Walters talked about the impact of the five to six million more residents expected to be moving to the state in the next decade. "That's 1,350 more vehicles a day!" he pointed out.

Walters explained that the current rebound in the state's economy is being driven not by large companies moving in or expanding, but by small businesses, by "the man in the van and the computer technician working out of his bedroom."

The diversity of the new work force is naturally having a big impact on the economy. "California is probably the only place in the world where you can find a kosher burrito stand, operated by a man from Korea and his wife!" he said. (He swears there is one located "right across from City Hall in Los Angeles.")

The seminar was capped by a spirited debate about free trade, "San Luis Obispo County & the Wal-Mart Economy." The two debaters addressed the issue of outsourcing U.S. jobs.

There is always going to be a migration of lower-level, tedious jobs to a cheaper labor market, asserted Stephen Happel, Ph.D., economics professor from Arizona State University, who joked, “I’m not worried about jobs. Hell, I’m tenured!”

But workers in the United States have a right to protect their standard of living, countered Julianne Malveaux, Ph.D., Harvard-trained economist, author and lecturer. “We should stop subsidizing employers who export jobs,” she said. “I don’t blame companies for maximizing profits, but we have got to keep workers in mind, too.”

For more information on The 2005 San Luis Obispo County Economic Outlook, go to <http://www.ucsb-efp.com/>.

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